

For Immediate Release

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Congressional Action on Stimulus Package Affects State Medicaid Programs

Jackson, MS – Governor Ronnie Musgrove placed separate phone calls this morning to Senators Thad Cochran and Trent Lott, urging them to support an increase in the Federal Medicaid Assistance Percentages (FMAP) program as part of the Bush administration's economic stimulus package.

However, the final version passed today by the Senate did not contain any measures to help provide assistance for Medicaid.

"I'm disappointed Congress failed to address the FMAP issue, because of the dramatic impact it will have on our efforts with Medicaid," Musgrove said. "We're working hard to improve how Medicaid works in this state."

Governors across the country were calling on Congress to restore approximately \$5.3 billion in state funding for the current fiscal year. Medicaid costs have reached crisis proportions across the country. As of the end of January 2002, 46 states were experiencing revenue collections below projections due to the national recession.

"It's time for Congress to realize the states are struggling to manage Medicaid with dwindling resources, and we need to reform the system," said Musgrove. "I will be working hard with other governors from around the country to seek some relief for Medicaid."

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